A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAI'I:

SECTION 1. The legislature finds that the Reinventing Education Act of 2004, Act 51, Session Laws of Hawaii 2004, established, among other things, a weighted student formula to allocate moneys to schools according to the different costs of educating students with different needs. Despite the intended equitable distribution of funds, the weighted student formula places small, remote schools at a disadvantage. For example, in the case of Hana high and elementary school, a budgetary shortfall resulted in the loss of several well-qualified teachers and threatened the school's ability to offer minimum course requirements for students to earn high school diplomas. As of 2005, six schools were excepted from weighted student formula allocations. The legislature further finds that remote schools should be funded to retain the minimum personnel and resources necessary to graduate students.
Accordingly, the purpose of this Act is to improve funding equity for remote schools.

SECTION 2. Section 302A-1303.6, Hawaii Revised Statutes, is amended to read as follows:

"§302A-1303.6 Weighted student formula; remote schools; funding. (a) Based upon recommendations from the committee on weights, the board of education may adopt a weighted student formula for the allocation of moneys to public schools that takes into account the educational needs of each student. [The] Except as otherwise provided in subsection (b), the department, upon the receipt of appropriated moneys, shall use the weighted student formula to allocate funds to public schools. Principals, in consultation with teachers and school community councils, shall expend moneys provided to the principals' schools. This section shall only apply to charter schools for fiscal years in which the charter schools elect pursuant to section 302D-29 to receive allocations according to the procedures and methodology used to calculate the weighted student formula allocation.

(b) For the purposes of subsection (a), a remote school, as defined in subsection (c), and other schools designated by
the committee on weights shall not be allocated operating funds
using the weighted student formula and instead shall be
allocated operating funds by categorical allotments that
guarantee the funding of a minimum number of instructional and
support staff positions to ensure that no less than minimum
course requirements are maintained; provided that:

(1) Instructional positions shall not be combined with
support staff positions;

(2) There shall be a minimum of two elementary school
teachers per elementary grade level; and

(3) The categorical allotments shall remain equal to or
greater than the inflation-adjusted minimum level of
funding, except when the consumer price index for the
twelve-month period ending June 30 of the preceding
calendar year is less than zero.

(c) For the purposes of this section:

"Consumer price index" means the national consumer price
index average over a twelve-month period that is published
monthly by the United States Department of Labor's Bureau of
Labor Statistics as the "National Consumer Price Index for All
Urban Consumers--United States City Average".
"Inflation-adjusted minimum level of funding" means the total amount of funding provided to the school in the fiscal year 2019-2020; provided that this amount shall increase by three per cent for each subsequent fiscal year.

"Remote school" means any public school, as defined in section 302A-101, except charter schools governed by chapter 302D, that is a high school located:

(1) At least a one-hour drive away from the next nearest public high school; or

(2) On the island of Lanai, Molokai, or Niihau; provided that if a high school is combined with an elementary, middle, intermediate, or other lower level of schooling, the entire school shall be deemed a high school for the purposes of this subsection.

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of $ or so much thereof as may be necessary for fiscal year 2019-2020 and the same sum or so much thereof as may be necessary for fiscal year 2020-2021 for the department of education to provide additional per-pupil funding to remote schools.
The sums appropriated shall be expended by the department of education for the purposes of this Act.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019.

INTRODUCED BY:

JAN 2 2 2019
Report Title:
Education; Weighted Student Formula; Remote Schools; Appropriation

Description:
Exempts remote schools from the weighted student formula. Provides that remote schools will be funded based on categorical allotments that guarantee the funding of a minimum number of instructional and support staff positions to ensure that no less than minimum course requirements are maintained. Defines "remote school". Appropriates funds.

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